

Efforts to raise Maine minimum wage continue despite long odds



The "Give America a Raise" bus tour came to Bangor's West Market Square in a campaign attempt to increase minimum wage throughout the state in this March 2014 file photo. Democrats, labor advocates and their allies renewed the battle over increasing Maine’s minimum wage Monday at the State House.

By Christopher Cousins, BDN Staff Posted March 23, 2015,

AUGUSTA, Maine — Democrats, labor advocates and their allies renewed the battle over increasing Maine’s minimum wage of $7.50 per hour Monday at the State House despite little indication that their latest efforts have any chance in the current political landscape.

The Legislature’s Labor, Commerce, Research and Economic Development Committee spent most of the day hearing testimony on eight bills related to the minimum wage, most of which would raise it, some of which would link it to increases in the cost of living or average state wage, and one that would set up a working group to study the issue.

“Maine workers should be afforded a decent and humane minimum standard in the workplace and should share in whatever wealth they have helped to create,” argued Rep. Gina Melaragno, D-Auburn, a first-year lawmaker who has proposed raising Maine’s minimum wage to $12 per hour over the course of five years.

The minimum wage equates to about $15,600 per year for a full-time worker, which is more than $4,000 below the federal poverty level. While most agree that income isn’t a livable wage, opponents of raising the minimum wage see it as an economic competitiveness issue: If Maine’s minimum wage is higher than other states’, businesses will move away or locate elsewhere in the first place.

David Clough, state director of the National Federation for Independent Businesses, said his organization opposes the bills.

“Minimum wage increases have a disproportionate effect on small businesses,” said Clough. “As a percentage of their operator costs, labor and workers tend to be a higher percentage of costs than a larger business pays.”

The Department of Labor testified against all of the bills. Spokeswoman Julie Rabinowitz said the number of adults working full time and supporting themselves on the minimum wage comprises less than 1 percent of Maine’s workforce.

“To say that, because we are testifying in opposition to this bill, we are not supportive of workers, job seekers or struggling families is wrong,” said Rabinowitz. “We support every worker and job seeker. ... However, the bills have the potential to affect some sectors more than others, and some of the bills, particularly those seeking the highest wage increases, may bring about unintended consequences for Maine’s businesses and workers.”

Maine’s minimum wage, which was first implemented in 1956, started at $1 per hour. It increased every few years through the next three decades, oftentimes linked to hikes in the federal minimum wage. It jumped eight times between 2002 and 2009 from $5.75 per hour to $7.50 per hour, where it remains today. That’s 25 cents above the federal minimum wage of $7.25 per hour.

Lawmakers in the Democratic-led House and Senate in 2013 passed a bill on mostly party lines to increase the minimum wage to $9 per hour by 2016 and link increases to inflation after that. Republican Gov. Paul LePage vetoed the bill, which then died in the House when lawmakers failed to override the veto.

This year, Republicans hold a 20-15 majority in the Senate and have more members in the House than they did in 2013. LePage has not wavered in his opposition to a state-level minimum wage hike on the grounds that it would put Maine at an economic disadvantage, but has indicated that he would be OK with a higher federal minimum wage.

The federal-level fight — led by President Barack Obama, who has endorsed raising the minimum wage to $10.10 per hour — is one reason to go through the debate in Maine.

Another is that the progressive Maine People’s Alliance is considering launching a petition drive to raise the minimum wage to a level beyond what was proposed Monday. Voter turnout for such a petition could aid Democrats running in tight legislative races by winning back working-class voters who have shown less enthusiastic support for the party in recent years.

Ben Chin, political engagement director for the alliance, said the tone of responses he heard Monday from Republicans might push his organization to launch the petition. He declined to say what hourly wage the Maine People’s Alliance favors.

“Maine’s number for a livable wage is around $15 an hour,” said Chin, who has announced that he’s running for mayor of Lewiston. “We’ll use that number as a yardstick. If you work full time, you shouldn’t have to live in poverty.”

Officials in two of Maine’s larger cities — Portland and Bangor — have discussed raising the minimum wage at the municipal level. A public forum on City Councilor Joe Baldacci’s proposal for Bangor is scheduled for 5:30 p.m. April 9.